

REMARKS

1. Applicant thanks the Examiner for the Examiner's comments, which have greatly assisted Applicant in responding.

2. **35 USC §103.**

The Examiner rejected Claims 1-51 as being unpatentable over Alela (US Patent 5,991,733) in view of Caid (US Patent 5,619,708).

Claim 1

Regarding independent Claim 1, the Examiner stated historical data "*is interpreted to include collector's notes.*" Applicant respectfully requests that the Examiner show on what basis.

Applicant disagrees and is of the opinion that it is impermissible hindsight to assume Alela's historical data includes collectors' notes and is using Applicant's claimed invention against itself.

Claim 1 appears as follows (emphasis added):

1. A computer implemented method of predicting the likelihood of collecting on a delinquent debt on an account, the method comprising:
 - storing a predictive model of debt collection likelihood generated using historical data of delinquent debt accounts, the collection methods used in each account, and the success of the collection methods in each account;
 - storing a collectors' notes model**, said model representing different types of notes' subject matter as context vectors determining a collectors' notes word space;
 - wherein said collectors' notes model is generated using said historical data of delinquent debt accounts;
 - receiving data of a currently delinquent debt account;
 - transforming collectors' notes** of said currently delinquent debt account into a document context vector and performing any of:

comparing said document context vector against context vectors of said collectors' notes model to determine a subject matter similarities result and using said result as input into said predictive model; and

using components of said document context vector expressed in context vector eigenbasis as input into said predictive model;

selecting a collection method; and

generating a signal indicative of the likelihood of collecting on the currently delinquent debt by applying the data of the currently delinquent debt account and the selected collection method to the predictive model;

using said signal indicative of the likelihood of collecting on the currently delinquent debt for, but not limited to, prioritizing collection resource expenditures.

Nowhere does Aleia discuss, suggest, motivate, or contemplate said feature "storing a collectors' notes model" and "transforming collectors' notes". Nowhere does Aleia discuss, suggest, motivate, or contemplate **collectors notes** or text in **any** fashion.

McGinley v. Franklin Sports, Inc, 60 USPQ2d 1001, 1008 (Fed. Cir. 2001) states as follows:

To prevent hindsight invalidation of patent claims, the law requires some "teaching, suggestion or reason" to combine cited references. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573, 1579, 42 USPQ2d 1378, 1383 (Fed. Cir. 1997).

... the opportunity to judge by hindsight is particularly tempting. Consequently, the tests of whether to combine references need to be applied rigorously.

Applicant is of the opinion that it is reasonable to assume that Aleia could not possibly contemplate incorporating Cald, because Aleia does not show any desire to do anything with collectors' notes or text.

In stark contrast, Applicant clearly puts forth problems addressed by use of collectors' notes, one of which is the problem of attaining timely information. Support follows (emphasis added):

(On page 5, lines 7-16)

Individually, collection specialists often rely on information contained in the account notes made by previous collectors to determine the recent actions taken on an account, such as letters sent and phone calls made. Additionally, account notes also often contain information about why the debtor has not paid; for example, he lost his job or she has been ill. Collection notes information is useful in deciding how best to work the account; for example, once a debtor tells creditors he has lost his job, the next collection specialist can call and inquire as to whether the debtor has found a new job yet. In later delinquency stages once the account has been shut off, collection notes may be the most current information about the account, and therefore collection specialists currently use this information in an individual capacity. However, because the collection notes are in text format, existing analytical methods are not able to quantify them.

(On page 6, lines 12-19)

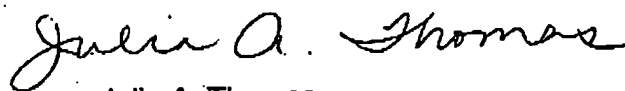
In one embodiment, the predictive model includes a mathematical representation of the collector's notes created during the collection period for each account. The collector's notes are modeled using a vector representation that encodes contextual similarity, which is used to map the word space of collectors' notes. Each account's collector notes may then be quantified by their degree of relatedness with a certain area of collection word space, for example, "debtor explanations regarding health problems" or "debtor explanations regarding job loss." The measure of relatedness or the vector representation of the notes themselves are then used as inputs to the predictive model.

Finally, Applicant is of the opinion that combining Alela with Cald does not enable the invention, because Alela does not teach anything about collectors' notes. Hence, Alela and Cald do not teach or disclose the invention as claimed. Therefore, Claim 1 and its dependent Claims 2-51 are deemed in allowable condition. Accordingly, Applicant respectfully requests that the Examiner withdraw the rejection under 35 U.S.C. §103(a).

CONCLUSION

Based on the foregoing, Applicant considers the present invention to be distinguished from the art of record. Accordingly, Applicant earnestly solicits the Examiner's withdrawal of the rejections raised in the above referenced Office Action, such that a Notice of Allowance is forwarded to Applicant, and the present application is therefore allowed to issue as a United States patent. The Examiner is invited to call to discuss the response. The Commissioner is hereby authorized to charge any additional fees due or credit any overpayment to Deposit Account No. 07-1445.

Respectfully Submitted,



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